COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF JOHNSON COUNTY)
GAS COMPANY, INC. TO DECREASE) CASE NO. 7059-EE
ITS RETAIL RATES)

ORDER

On November 17, 1978, the Commission issued its Order in Case 7059, approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased.

On October 2, 1981, Johnson County Gas Company, Inc. ("Applicant") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Columbia Gas of Kentucky, Inc. ("Columbia") effective September 1, 1981, and submitted with its notice certain information in compliance with this Commission's Order of November 17, 1978. The notice set out certain revisions in rates which the Applicant proposed to place in effect, said rates being designed to decrease the cost of natural gas of its supplier in the amount of \$3.059.64.

After reviewing this evidence of record and being advised, the Commission is of the opinion and finds that:

- (1) The Applicant's supplier, has filed decreased rates and said rates will become effective on and after September 1, 1981.
- (2) The Applicant's adjustment in rates under the purchased gas adjustment clause approved by the Commission in its Order in Case 7059 dated November 17, 1978, is fair, just and reasonable, in the public interest and should be effective with gas supplied on and after September 1, 1981.

IT IS THEREFORE ORDERED that said purchased gas adjustment sought by the Applicant and adjusted as aforesaid be and the same is hereby approved to be effective with gas supplied on and after September 1, 1981, as set out in Appendix A attached hereto and made a part hereof.

IT IS FURTHER ORDERED that for the purpose of the future application of the purchased gas adjustment clause of the Applicant the base rate for purchased gas shall be:

Commodity

Columbia Gas of Kentucky, Inc.
Kentucky-West Virginia Gas Company

\$ 4.093 per Mcf

\$ 1.3363/dth

IT IS FURTHER ORDERED that the information furnished this Commission by Applicant on October 2, 1981, constitutes full compliance with the Commission's Order in Case No. 7059 and any other information ordinarily required to be filed under the Commission's regulations is hereby waived.

IT IS FURTHER ORDERED that within 30 days after the date the decreased cost of wholesale gas becomes effective, Applicant shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 21st day of October, 1981.

PUBLIC SERVICE COMMISSION

For the Commission

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 7059-EE DATED OCTOBER 21, 1981

The following rates are prescribed for the customers in the area served by Johnson County Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the date of this Order.

RATES: Monthly

In the area served by natural gas

From Columbia Gas of Kentucky, Inc.

First 2 Mcf \$5.987 per Mcf

All over 2 Mcf \$5.127 per Mcf